

**POP Supplemental Information (PSI) – Insurance Premium Issues  
04-08-2008**

**Supplemental Information For Various Insurance Premium Issues**

In February's liaisons meeting some issues pertaining to insurance premium and their compliance with E.O.1-7 were raised, following are the answers/explanations for those issues:

**Is the Contractor in compliance with EO 1-7 if:**

Q#1 Employee #1 Single Coverage, Employer pays \$130
<b>A: CONTRACTOR WILL NOT BE IN COMPLIANCE</b>
Q#2 Employee #2 Single Coverage, Employer pays \$130 health insurance + \$20 dental.
<b>A: YES CONTRACTOR WILL BE IN COMPLIANCE, PROVIDED THAT THE EMPLOYER COVERS ENTIRE COST (BASED ON THE AMOUNT &amp; PERCENTAGE PAID)</b>
Q#3 Employee #3 Single + 1 Coverage, Employer pays \$114, Employee Pays \$130
<b>A: NOT IN COMPLIANCE, BASED ONE THE AMOUNT AND PERCENTAGE PAID.</b>
Q#4 Employee #4 Family Coverage, Employer pays \$459, Employee Pays \$431
<b>A: YES CONTRACTOR WILL BE IN COMPLIANCE BASED ON THE AMOUNT AND PERCENTAGE PAID.</b>
Q#5 Can the employer carry health + dental to get the premium up to \$150 and bring him in compliance? (Single coverage \$130+ Dental Coverage \$23 = \$153)?
<b>A: YES, BOTH HEALTH &amp; DENTAL WILL BRING THE CONTRACTOR IN COMPLIANCE.</b>
Q#6 Does the 50% of premium rule apply to the employee's coverage (single) or to family/dependent coverage?
<b>A: YES, 50% OF PREMIUM RULE APPLIES TO THE EMPLOYEE'S (SINGLE) COVERAGE ONLY. (EXAMPLE: TOTAL PREMIUM IS \$500, \$300 FOR EMPLOYEE AND \$200 FOR FAMILY, EMPLOYEE'S CONTRIBUTION WILL NOT BE MORE THAN 50% OF \$300).</b>
Q#7 The policy refers to "health benefit" can we add the cost of dental and vision coverage in order to meet the minimum?
<b>ANS: YES, \$150 PER COVERED EMPLOYEE REFERS TO THE TOTAL COST OF ALL HEALTH BENEFITS, INCLUDING DENTAL AND VISION.</b>
Q#8 What if the contractor's health premium for the covered worker does not cost \$150?
<b>ANS: THE CONTRACTOR WILL NOT BE IN COMPLIANCE WITH THE POLICY.</b>